



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

DENISE CARLON, ESQUIRE  
KML LAW GROUP, P.C.  
Sentry Office Plz  
216 Haddon Ave., Suite 406  
Westmont, NJ 08018  
(215) 627-1322  
[dcarlon@kmllawgroup.com](mailto:dcarlon@kmllawgroup.com)  
Attorneys for ARCPE 1 LLC

In Re:

Faithlyn Foxton,

Debtor.

Order Filed on September 27,  
2019 by Clerk, U.S. Bankruptcy  
Court - District of New Jersey

Case No.: 19-22863-SLM

Adv. No.:

Hearing Date: August 28, 2019

Judge: Stacey L. Meisel

**ORDER STRIPPING SECOND MORTGAGE HELD BY ARCPE 1 LLC**

The relief set forth on the following pages, numbered two (2) through three (3) is hereby  
**ORDERED**

**DATED: September 27, 2019**

*Stacey L. Meisel*  
Honorable Stacey L. Meisel  
United States Bankruptcy Judge

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Debtor:

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This matter having been brought before the Court by Scott Tanne, Esq., attorney for Debtor Faithlyn Foxton, by way of a motion to strip off the second mortgage on 826 Hampden Street, Linden, NJ, and this Court having considered the representations of attorney for the Debtor and Denise Carlon, attorney for second lienholder ARCPE 1 LLC, and for good cause having been shown, it is hereby **ORDERED, ADJUDGED and DECREED:**

- ARCPE 1 LLC's claim shall be allowed as a non-priority general unsecured claim and shall be paid as such in accordance with the Debtor's Chapter 13 Plan.
- The avoidance of ARCPE 1 LLC's second lien is contingent upon the Debtor's completion of the Chapter 13 plan and the Debtor's receipt of a Chapter 13 discharge.
- ARCPE 1 LLC' shall retain its lien for the full amount due under the subject loan in the event of either the dismissal of the Debtor's Chapter 13 case or the conversion of the Debtor's Chapter 13 case to any other Chapter under the United States Bankruptcy Code.
- Each party shall bear their own attorney's fees and costs incurred in the present case number.
- In the event that the property is destroyed or damaged, pursuant to the mortgage, ARCPE 1 LLC entitled to its full rights as a loss payee with respect to the insurance proceeds and has a security interest in such proceeds up to the entire balance due on the mortgage.
- In the event that any entity, including the holder of the first lien on the Subject Property forecloses on its security interest and extinguishes Creditor's lien prior to the Debtor's completion of the Chapter 13 plan, ARCPE 1 LLC's lien shall attach to the surplus proceeds of the foreclosure sale for the full amount of the subject loan balance at the time of the sale.
- ARCPE 1 LLC shall retain its lien for the full amount due under the subject loan should the subject property be sold, or should a refinance take place prior to the Chapter 13 plan completion and entry of a Discharge.

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- Upon successful completion of Debtor's Chapter 13 plan and receipt of discharge, ARCPE 1 LLC's lien on 826 Hampden Street, Linden, NJ, listed as Lot 20.02 Block 470 on the official tax map of the City of Linden, County of Union, State of New Jersey, shall be discharged.
- Upon successful completion of Debtor's Chapter 13 plan and receipt of discharge, ARCPE 1 LLC, its successor and assigns, shall take the necessary steps to release its lien of record and remove it from the local mortgage and judgment indices.
- Upon successful completion of Debtor's Chapter 13 plan and receipt of discharge, should ARCPE 1 LLC fail to release its lien of record as ordered herein, Debtor shall have the right to file same and take the necessary and appropriate steps to release the lien and remove it from the local mortgage and judgment indices.